



COUNTY OF LOS ANGELES  
OFFICE OF THE COUNTY COUNSEL

648 KENNETH HAHN HALL OF ADMINISTRATION  
500 WEST TEMPLE STREET  
LOS ANGELES, CALIFORNIA 90012-2713

JOHN F. KRATTLI  
County Counsel

June 10, 2014

TELEPHONE  
(213) 974-1930  
FACSIMILE  
(213) 613-4751  
TDD  
(213) 633-0901

**ADOPTED**

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

Agenda No. 5  
04/22/14

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

#18 of June 10, 2014

*Sachi A. Hamai*  
SACHI A. HAMAI  
EXECUTIVE OFFICER

**Re: PROJECT NUMBER R2013-02284-(1)  
VESTING TENTATIVE TRACT MAP NUMBER 071831-(1)  
FIRST SUPERVISORIAL DISTRICT/THREE-VOTE MATTER**

Dear Supervisors:

Your Board previously conducted a hearing regarding the above-referenced subdivision which seeks to authorize the conversion of an existing 500-unit rental mobile home park into a 500-unit resident-owned mobile home park, located at 17350 East Temple Avenue, in the Puente Zoned District. At the completion of the hearing, you indicated an intent to deny the permit and instructed us to prepare findings for denial. Enclosed are findings for your consideration.

Very truly yours,

JOHN F. KRATTLI  
County Counsel

By

ELAINE M. LEMKE  
Principal Deputy County Counsel  
Property Division

APPROVED AND RELEASED:

THOMAS J. FAUGHNAN  
Senior Assistant County Counsel

EML:vn  
Enclosure

c: William T Fujioka, Chief Executive Officer  
Sachi A. Hamai, Executive Officer, Board of Supervisors

**FINDINGS OF THE BOARD OF SUPERVISORS  
AND ORDER  
PROJECT NUMBER R2013-02284-(1)  
VESTING TENTATIVE TRACT MAP NUMBER 071831-(1)**

1. The Los Angeles County ("County") Board of Supervisors ("Board") conducted a duly-noticed public hearing in the matter of Project No. R2013-02284-(1), which consisted of Vesting Tentative Tract Map No. 071831-(1) ("Vesting Map"), on April 24, 2014. The County Regional Planning Commission ("Commission") previously conducted a duly-noticed public hearing on the Vesting Map on January 29, 2014 and March 12, 2014.
2. The applicant, Covina Hills MHC, LP ("MHC"), requested the Vesting Map to convert an existing 500-unit rental mobile home park into a "resident-owned" subdivision of 500 mobile home condominium units with shared amenities on 75.75 gross acres ("Project"). As required by California Government Code section 66427.5 ("Section 66427.5"), a section of the California Subdivision Map Act ("Map Act"), if the conversion is approved, the owners of mobile homes that currently live in the mobile home park will be given the option to either purchase the lot on which their respective mobile homes are located or continue to rent the lot.
3. The Project site currently houses a 500-unit rental mobile home park. In a rental mobile home park, the mobile homes are owned by the individual residents but the underlying lots (or units) on which the mobile homes are located are rented to the mobile home residents by the park owner, the owner of the site. No physical changes to the site are proposed as part of the Project. Four hundred seventy-four out of the 500 mobile home units in the park were occupied by mobile home residents when the Vesting Map application was filed.
4. The Project site is located at 17350 East Temple Avenue in the community of South San Jose Hills in the Puente Zoned District.
5. The land use designation for the subject property under the Los Angeles Countywide General Plan ("General Plan") is primarily Low/Medium Density Residential (1 to 12 dwelling units per acre), with a small portion being designated Low Density Residential (1 to 6 dwelling units per acre.)
6. The Project site crosses three zones: A-1-5 Zone (Light Agricultural–Five Acre Minimum Required Lot Area); A-2-5 Zone (Heavy Agricultural–Five Acre Minimum Required Lot Area); and A-1-6000 Zone (Light Agricultural–6,000 Square Feet Minimum Required Lot Area).
7. Surrounding properties are zoned as follows:  
  
North: City of West Covina;  
South: A-1-6000 and R-1-6000 (Residential–6,000 Square Feet Minimum Required Lot Area);

East: City of West Covina; and  
West: C-2BE (Commercial Neighborhood Business—Billboard Exclusion)  
and the City of Industry.

8. Land uses surrounding the subject property consist of the following:  
  
North: Churches, schools, and apartment units;  
South: Single-family residences;  
East: Single-family residences; and  
West: A gas station, neighborhood commercial uses, and a golf course.
9. A mobile home park is permitted in A-1 and A-2 zones with a conditional use permit ("CUP") pursuant to sections 22.24.100 and 22.24.150 of Title 22 of the County Code ("Zoning Ordinance").
10. The existing mobile home park was originally authorized by Zone Exception Case ("ZEC") 9648, which was approved by the Commission on November 8, 1970. On July 20, 1971, the Commission approved ZEC 9723, which modified some conditions of the previously approved ZEC, allowing for temporary double-faced signs at the site and for the height of the site's perimeter fence to vary due to topography. The ZEC approval expired in 1995. CUP No. 2012-00143, approved by a hearing officer on July 2, 2013, authorized the continued operation and maintenance of the mobile home park. The CUP expires on July 2, 2033. The CUP was necessary to bring the mobile home park into compliance with the current Zoning Ordinance.
11. An initial step by a park owner to convert a rental mobile home park to a resident-owned mobile home park requires the park owner to obtain approval of a subdivision map under the Map Act, and Section 66427.5 of the Map Act sets forth the requirements for the park owner to obtain such a map. To comply with this section, MHC submitted an application for the Vesting Map.
12. Pursuant to Section 66427.5 of the Map Act, MHC must, among other things, offer each existing tenant an option to either: (a) purchase the lot on which his/her mobile home is located, and a percentage of the common area; or (b) continue residency as a tenant on that lot, continuing to pay rent to the park owner. MHC must also prepare and file a report showing the impact of the proposed conversion on the existing residents in the mobile home park ("Tenant Impact Report"). The Tenant Impact Report must be made available to each resident at least 15 days prior to the required hearing on the Vesting Map. MHC submitted the necessary report and timely made it available to the residents of the mobile home park.
13. Subsection (d) of Section 66427.5 of the Map Act further requires that MHC obtain a "survey of support" of residents in the mobile home park for the proposed conversion and conduct that survey so that each occupied mobile home space has one vote. The results of the survey must be submitted to the

County upon the filing of the Vesting Map. The County is required to consider the survey when deciding whether to approve, conditionally approve, or disapprove the Vesting Map. Section 66427.5(d)(5) of the Map Act further provides that the County may disapprove the Vesting Map if it finds that the results of the survey have not demonstrated the support of at least a majority of the mobile home park homeowners for the proposed conversion of the park from a rental mobile home park to a resident-owned mobile home park.

14. MHC conducted a resident written survey as required. The survey asked residents to check one of five options regarding the proposed conversion of the park. The five options were as follows:

- "1. I support the change of ownership of the Park to a resident owned condominium park, if the purchase price of my condominium interest [lot + percentage ownership of common areas & facilities] is affordable to me.
2. I support the change of ownership of the Park to a resident-owned condominium park, but I am low income/moderate income and will need financial assistance to be able to purchase my unit (See 'Household Size & Income Level' chart on page 2).
3. I support the change of ownership of the Park to a resident-owned condominium park, but at this time I believe that I would remain and rent.
4. I decline to state my opinion at this time.
5. I do not support the change of ownership of the Park to a resident owned condominium park."

A stamped pre-addressed envelope to MHC's counsel was included with the survey and residents were asked to return their response by mail in that envelope to MHC's counsel.

15. Responses were received by MHC from residents of 125 of the 474 occupied mobile homes in the park, an approximate response rate of 26 percent of the residents. Responses were tallied as follows:

- Twenty-seven responses checked only Option 1 (support if affordable).
- Forty-eight responses checked only Option 2 (support, but resident is low- or moderate-income and will need financial assistance to purchase).
- Seventeen responses checked both Options 1 and 2.
- Seven responses checked only Option 3 (support, but resident intends to remain a renter).

- Seventeen responses checked only Option 4 (decline to state an opinion).
- One response checked Options 3 and 4.
- Four responses checked Option 5 (do not support).
- Four returned the form without choosing any option.

At the time of the survey, information was not available as to the purchase price of each lot if the Vesting Map were approved or whether financing would be available to residents to purchase their lot.

16. Prior to the Commission hearing on the Project, staff from the Department of Regional Planning ("Regional Planning") determined the Project qualified for a categorical exemption under the California Environmental Quality Act ("CEQA"). Specifically, that the Project would fall within the Class 1, Existing Structures exemption set forth in 14 California Code of Regulations section 15301(k) of the CEQA Guidelines, which covers condominium conversions.
17. The Commission opened its duly-noticed public hearing on the Project on January 29, 2014. After an initial report by staff from Regional Planning, a representative of MHC outlined the history of the Project to date. MHC's representative also responded to issues raised by a poll conducted by some residents of the park that showed opposition by many residents to the conversion. The representative pointed out certain misinformation that was provided with that poll and argued to the Commission that the poll should not be considered by the Commission. The representative also responded to inquiries from the Commission.
18. MHC's representative further argued to the Commission against the applicability of subsection (d)(5) of Section 66427.5 of the Map Act that allows the County to deny a mobile home park conversion where the resident survey fails to demonstrate the support of at least a majority of the park residents. The representative argued that this provision of the Map Act took effect on January 1, 2014, and that the Vesting Map had been in process long before that date. Prior to January 1, 2014, the Map Act only required the resident survey results to be considered by the decision-making body on the map application, but gave no guidance as to how that body should use the results in its consideration. According to the representative, if the Vesting Map had been considered by the Commission prior to January 1, 2014, it would have been approved.
19. At the Commission hearing, a lieutenant from the West Covina Police Department ("Police Department") testified that the mobile home park has been a good neighbor, thanked the County for addressing recent issues regarding graffiti on a wall facing a West Covina neighborhood, and testified that the Police Department would work with the County Sheriff's Department to address any quality of life issues that might arise at the park. Three residents of the mobile home park and a representative from a Statewide mobile home group testified

against the Project for various reasons, including their concern regarding whether they would be able to remain at the park if the conversion were approved. One resident testified that a separate resident poll showed that a large number of residents opposed the conversion. That individual also testified that the first two options on MHC's survey (Options 1 and 2 in Finding No. 14, above) showed ambiguous results. According to that individual, by indicating support for the conversion if a resident's lot is affordable or if financing is available does not unambiguously indicate support for the conversion. At least two Commissioners at the hearing agreed that the first two options in the MHC survey were ambiguous.

20. The Commission also discussed the provision in Section 66427.5 of the Map Act that allowed the Commission to deny the Project if the resident survey did not show majority support for the conversion. In the Commission's view, MHC had not shown such a majority support. The Commission chair noted that a better survey could be conducted by MHC to provide less ambiguous results and recommended that MHC conduct a new survey. The Commission also expressed concern that the poll conducted by the residents included incorrect information and cautioned that any further effort to obtain views from the residents must include correct information. At the close of the January 29, 2014 Commission hearing, the Commission continued the public hearing to March 12, 2014.
21. On March 12, 2014, the Commission resumed the public hearing on the Project. Regional Planning staff presented a report, which indicated, among other things, that eight additional letters opposing the Project had been received, explained outreach efforts documented by MHC to meet with the park residents, identified additional incentives that would be offered by MHC to buyers of their units, and reported that a new survey had not been conducted by MHC.
22. After staff's presentation, MHC's representative explained some of the outreach efforts MHC had taken to meet with residents and address their concerns. The representative also stated that much time and effort were spent refuting alleged misinformation and misstatements about the Project. MHC's representative also indicated that MHC had agreed to pay for installation of the concrete foundation underneath each tenants' mobile home. Based on the testimony at the hearing, such installation was necessary for the residents to obtain financing to buy their respective lots. The representative also indicated that MHC would offer a discount of five to 10 percent of the units' appraised lot prices to residents who purchased their lots within certain periods of time. The representative agreed that this incentive could be included in a revised Tenant Impact Report to make the measure enforceable.
23. At the continued public hearing, MHC's representative explained that, despite the Commission's request at the prior hearing session, it did not conduct a new resident survey for the proposed conversion. MHC concluded that it was unrealistic that MHC would obtain survey responses from more than one-half of

the 464 residents in the park, let alone survey responses that show definitive support for the Project.

24. At no time during the Commission's two public hearing sessions did MHC contend that the Project must be deemed approved under the Permit Streamlining Act, California Government Code section 65950 et seq., and the Map Act, because the County did not comply with time frames in these Acts.
25. A co-owner of a certain lending company also testified at the continued Commission hearing and provided information as to the types of loans that might be available to the residents if the conversion were to occur. The testifier also confirmed the need for the installation of a concrete foundation under a mobile home for any resident to obtain a loan. Seven residents of the mobile home park, and the Statewide mobile home group representative that testified at the first hearing session, testified in opposition to the Project.
26. After completion of the public testimony, the Commission closed the public hearing and denied the Project. The Commission found that the resident survey required by Section 66427.5 of the Map Act did not demonstrate that the proposed conversion was supported by at least a majority of the residents.
27. Pursuant to Section 22.60.230 of the Los Angeles County Code, MHC appealed the decision of the Commission to the Board. In its written appeal, MHC contended that: (1) the Commission's action was not supported by the facts and contrary to the legislative intent of the amended provision in Section 66427.5 of the Map Act regarding the resident survey. MHC argued that the amended provision was intended only to prevent "sham conversions" designed to circumvent rent control, facts that allegedly were not present in this case; (2) Section 66427.5 of the Map Act was satisfied because MHC was providing adequate protections against displacement of the current residents in the mobile home park; and (3) the Vesting Map application was deemed approved by operation of law due to the Permit Streamlining Act.
28. On April 22, 2014, the Board conducted a duly-noticed public hearing on the appeal. At the hearing, after a brief presentation by Regional Planning staff, eight speakers testified regarding the Project, seven in opposition to, and one, MHC's representative, in support, of the Project. Those testifying in opposition to the Project included six park residents and the same representative of the Statewide mobile home group that testified at the Commission hearing. The residents testified that the proposed conversion was a "sham" because, among other things, the age of many of the mobile homes would make financing difficult, many residents could not afford to purchase their lots, and it was unlikely that more than one-half of the residents would ever become resident-owners. Opponents also expressed concern about their ability to remain in the park as tenants if the conversion were approved. The opponents reiterated their claim they made at the Commission hearing that the survey undertaken by MHC was

misleading, led to ambiguous results, and did not show a majority support by the residents for the conversion.

29. At the Board hearing, MHC's representative raised the same claims MHC made in MHC's written appeal. MHC's representative also testified that five letters of support from park residents had been submitted to the Board, that MHC had addressed all of the residents' concerns regarding the Project, and that MHC had complied with all requirements of Section 66427.5 of the Map Act.
30. The Board finds that the plain language of Section 66427.5(d)(5) of the Map Act is clear and provides that a local agency "may disapprove the map if it finds the results of the survey have not demonstrated the support of at least a majority of the park's homeowners." This statute allows the Board to deny the mobile home park conversion if the resident survey of the residents currently living in the park does not demonstrate a majority of the residents support the conversion. The Board further finds that the statute is in no way limited to authorize the denial of the conversion only if the conversion is intended to avoid rent control. The legislative history of the recent change to Section 66427.5 of the Map Act supports the Board's interpretation of this statute.
31. The Board finds that, pursuant to California Government Code section 66498.6(b) of the Map Act, the provisions of Section 66427.5 that took effect on January 1, 2014 are controlling and apply to the Project.
32. The Board finds that MHC's contention that the Vesting Map was approved by operation of law due to the time frames in the Map Act or Permit Streamlining Act is not supported by the facts or law in this matter.
33. The Board finds that the facts do not support MHC's contention that if its Vesting Map application had been considered by the Board prior to January 1, 2014, it would have been approved. Prior to January 1, 2014, Section 66427.5 required the Board to consider the results of the resident survey when making its decision and MHC merely speculates that the Board's consideration of the matter prior to that date would have resulted in the approval of the Project.
34. The Board finds that more than 160 letters have been received by the Board opposing the Project, while 19 letters have been received by the Board in support of the Project. Eleven comment letters received by the Board did not express either support or opposition to the Project.
35. The Board finds that the resident survey submitted by MHC was confusing and provided inconclusive information. Voting for the survey option of "support" for the Project if the resident's lot was affordable, or if financing was available to a resident if he/she was low- or moderate-income, did not show unambiguously whether those votes supported the Project. Such responses instead could be interpreted to show support for the Project only if financing is available to a low- or moderate-income resident, or if the involved lot is priced so as to be affordable



to the resident. Ninety-two of the 125 survey responses by the residents fell into one of these two inconclusive categories.

36. The Board finds that the resident survey submitted by MHC does not demonstrate that at least a majority of the mobile home park residents support the conversion of the park from a rental mobile home park to a resident-owned mobile home park. The Board further finds that the evidence presented to the Board reflected that a significant number of residents in the park actually oppose the Project.

**BASED ON THE FOREGOING, THE BOARD OF SUPERVISORS:**

1. Denies Vesting Tentative Tract Map No. 071831-(1).